

98681

SECRET

is considerable doubt whether the report was really derogatory on a security basis.

While this does not apply to Departmental personnel, the fact should be noted as demonstrating a further reliance upon FBI by the Department. Presumably, this check is made by FBI as a matter of accommodation, not of duty. No control is exercised by the Department over the investigation.

(e) It is important to note that the Department is entirely and practically exclusively dependent on FBI for the type of information which comes from surveillance, wide coverage, and the use of unusual methods of interrogation and investigation. CSA appears to have neither the experience nor the facilities to do that type of work and it is apparently not used by any one in that type of work. FBI is the sole repository of such information, therefore, as the identity of Communist Party members, of sympathizers and fellow travelers, of espionage cases, and of undisclosed foreign agents.

(d) FBI has prepared a chart, now in the possession of [name blanked out] which purports to show a number of "agents", "Communists", "sympathizers", and "suspects" in the State Department as of May 15, 1947. The tabulation shows

Agents	20
Communists	13
Sympathizers	14
Suspects	77

SECRET

[words blanked out] states that by July 12 (the date of my interview), the number had been reduced to the following:

Agents	11
Communists	10
Sympathizers	11
Suspects - about	74

Since a considerable number of the persons so characterized came with the interim agencies, such as FEA, OWI, and OSS, continued reduction in force might dispose of more of these.

721-23273-178X2

Office Memorandum - UNITED STATES GOVERNMENT

TO : The Director

FROM : D. W. Ladd *PL*

SUBJECT: CHARGES OF SENATOR JOSEPH M. McCARTHY
CONCERNING FBI CHART ON COMMUNISTS
ALLEGEDLY GIVEN TO STATE DEPARTMENT

DATE: June 7, 1950

With reference to my memorandum to you of June 6, 1950, [REDACTED]
has made a check at the State Department and obtained the following information:

The material used by McCarthy on the floor of the Senate yesterday originated from the State Department in a report prepared by Mr. Samuel Klaus on August 3, 1946. A copy of this report is undoubtedly in the hands of Senator McCarthy as numerous excerpts were used in his speech yesterday. The report is in the form of a survey made by Klaus for Mr. Joseph Panuch, a former Deputy to the Assistant Secretary for Administration. The material used by McCarthy from this report and particularly that dealing with the chart that the FBI allegedly prepared appears on page 29 (copy of report attached) and reads, "FBI has prepared a chart now in the possession of Mr. Panuch which purports to show a number of 'agents', 'Communists', 'sympathizers' and 'suspects' in the State Department as of May 15, 1947. The tabulation shows, agents - 20, Communists - 13, sympathizers - 1 and suspects - 77."

The report continues on page 30 (pages 29 and part of 30 were produced by McCarthy on the floor although he continued to read from the report.) and sets forth the verbatim text of material appearing in the press this morning, that is, "It turned out that the FBI had produced no convincing proof that any person was an actual agent. In other words, the FBI had made no case to show espionage or a violation of the Foreign Agents Registration Act or similar legislation in any case. The word 'agent' was, therefore, being used by the FBI or by CON to mean simply a suspect in espionage investigation, and etc."

"No proof of actual Communist Party membership has been produced by the FBI. The word Communist, therefore, was used merely to describe cases of such close affiliations as to lend credence to hypothesis that the person in question was a member —, a fact still to be proven."

The report continues on page 31, "The foregoing cases presumably comprised the total of questionable employees of each security category now in the Department — questionable in the opinion of the FBI." The statements by Senator McCarthy that the FBI did not trust the State Department has for its basis the comments of Mr. Klaus appearing on page 32 and 33 which states in substance that the FBI did not freely give information to the Chief Special Agents Office when, in fact, we did give it to Mr. Fred B. Lyon's Office.

Attachment 35
53 JUL 20 1950

121-23278-1782
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b7c
Letter to AG
cc - Psys for good
RECORDED 7-15-50 b2 - 1711-1710
INDEXED 7-15-50 JUN 12 1950

There are attached copies of the prepared speech used by McCarthy yesterday on the floor together with a copy of pages 29 and a portion of page 30 which Senator McCarthy distributed together with his prepared speech.

In view of the fact that Mr. Klaus made the definite statement in his report that the FBI had prepared a chart, Mr. Samuel S. Boykin, assistant to Mr. Feurifoy, informed [REDACTED] he talked to Klaus and asked him why he had made such a statement when, in fact, the chart in question was prepared by the State Department and carried a very bold heading that it was so prepared. Klaus, according to Boykin, alibied out of this by stating that Mr. Pannerman [REDACTED] had told him, Klaus, that the chart was prepared by the FBI. Boykin further informed [REDACTED] that Pannerman denies this and that Klaus simply made a misstatement of facts when he prepared his report.

[REDACTED] observed the chart in question which was prepared by the State Department and it was noted that it very plainly states that it was prepared in the Reproduction Branch of the State Department and carried the title "Top Secret, U. S. Department of State, Preliminary Survey of the Communist Infiltration, prepared May 15, 1946." The chart is approximately four by six feet in size and is the regular organizational chart of the State Department with various names written on it with lines drawn to the respective division in which the employees were working. The employees were divided into two groups: (1) Soviet Underground Intelligence Connections. (2) Amerasia. There are 4 charts in all, each purporting to be the same but with various and different notations with reference to names appearing thereon. None of the charts appeared to be a finished product but appeared to be work sheets. The employees are broken down into categories of agents, Communists, sympathizers and suspects. Of the agents (20) and Communists (13), the State Department has compiled lists (attached). They have not as yet been able to compile lists on the sympathizers (14) and suspects (77). They are presently working on this.

With reference to the charges that Senator McCarthy made that three persons mentioned in the chart are still on the rolls of the State Department, they, the State Department, have been able to identify only two, namely, [REDACTED] and [REDACTED]. The name of [REDACTED] may or may not be the third person in view of the fact that he was on a list that McCarthy supplied to Senator Tydings but is not now employed by the State Department.

The State Department is presently checking their files against the names that they have to determine the information used in drawing up the chart. They cannot at this time state whether the information came from the FBI, from their own or other sources.

Mr. Samuel S. Poykin informed [redacted] that the State Department desires to issue another press release stating in substance that the State Department has contacted the Bureau and the Bureau has assured them that the Bureau did not prepare such a chart and that the Bureau made no evaluation placing the various employees in the categories named. Mr. Poykin wanted to know if the Bureau had any objections to this statement. In this regard it is believed that the Bureau should not make any comments, one way or the other, and we should refer such inquiries to the Assistant to the Attorney General Peyton Ford who informed the State Department yesterday that the Bureau did not submit such a chart to the State Department. If you concur Mr. Poykin will be so informed.

The State Department has asked that the attached report prepared by Davis entitled Survey of the Departmental Personnel Security Investigations be returned to them after we have finished with it.

make copy of it. *OK*

for D.C. *OK.* *8.*

*Nicholson, State Dept. 2/12/64
in a memo Poykin 6/1/64*

W.P.

Send substance of this memo
D.A.G.

2/12

b7c

100-61946
100-61946
AGENTS:

1. [REDACTED] (ARI)
2. [REDACTED] (ORI)
3. [REDACTED] (FLC)
4. [REDACTED] (ESP)
5. [REDACTED] (ARI)
6. [REDACTED] (ESP)
7. [REDACTED] (PA)
8. [REDACTED] (ESP)
9. [REDACTED] (ESP)
10. ✓ [REDACTED] (PD)
11. [REDACTED] (RP)
12. [REDACTED] (ESP)
13. [REDACTED] (ARI)
14. [REDACTED] (INP)
15. [REDACTED] (ESP)
16. [REDACTED] (ARI)
17. [REDACTED] (FLC)
18. [REDACTED] (EAI)
19. [REDACTED] (EAI)
20. [REDACTED] (OIC)

b7c

101-23278-178X2
61477

1946

COMMUNISTS

1. [REDACTED] (OCD)
2. [REDACTED] (MI)
3. [REDACTED] (FSP)
4. [REDACTED] (DIC - NY)
5. [REDACTED] (IC) San Francisco
6. [REDACTED] (IC - San Francisco)
7. [REDACTED] (PH)
8. [REDACTED] (DC)
9. [REDACTED] (SP)
10. [REDACTED] (PAI)
11. [REDACTED] (L)
12. [REDACTED] (ER)
13. [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/10/01 BY SP/MS

b7c

2025 RELEASE UNDER E.O. 14176

ADMISLWER

X Honorable Millard E. Tydings
United States Senator
Washington, D. C.

A.B.T.

Dear Senator Tydings:

This is in reply to your letter of March 1, 1950, in which you have asked for the production before your Subcommittee of the investigative files relating to those Government employees who are or have been employed in the Department of State and against whom charges of disloyal have been made before your Subcommittee by Senator McCarthy. The question raised by your request is a question of grave concern, and I have given very careful consideration to the response contained herein.

In March of 1948 I issued a directive to all officers and employees in the executive branch of the Government directing that all reports, records, and files relating to the Employee Loyalty Program be kept in strict confidence, even in instances where subpoenas were received. As I know, this decision was clearly within my power to make, and I made it only after the most careful consideration and after I had satisfied myself beyond any doubt that any other decision would have resulted in the collapse of the Loyalty Program itself and would have rendered it a vain and useless gesture. At that time I issued a release in which I pointed out the long standing precedents regarding the production of confidential files and the reasons for my decision. I referred, among other things, to a letter from former Attorney General Robert H. Jackson, dated April 30, 1941, to the Chairman of the House Committee on Naval Affairs, declining to furnish that Committee with certain reports of the Federal

56 JUL 6 1950

RECORDED
INDEXED

JUN 15 1950

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121-23278-179

Bureau of Investigation, which letter was written with the approval and at the direction of President Roosevelt. That letter forcefully pointed out the serious consequences that would have resulted from compliance with the request of the House Naval Affairs Committee. Among other things, Attorney General Jackson stated:

Moreover, disclosure of the reports would be of serious prejudice to the future usefulness of the Federal Bureau of Investigation. As you probably know, much of this information is given in confidence and can only be obtained upon a pledge not to disclose its sources. A disclosure of the sources would embarrass informants--sometimes in their employment, sometimes in their social relations, and in extreme cases might even endanger their lives. In regard the keeping of faith with confidential informants as an indispensable condition of future efficiency.

Disclosure of information contained in the reports might also be the grossest kind of injustice to innocent individuals. Investigative reports include leads and suspicions, and sometimes even the statements of malicious or misinformed people. Even though later and more complete reports exonerate the individuals, the use of particular or selected reports might constitute the grossest injustice, and we all know that a correction never catches up with an accusation.

These three elements--the serious prejudice to the effectiveness of the Federal Bureau of Investigation as an investigative agency, the resulting embarrassment and danger to confidential informants, and injustice and unfairness to innocent individuals--led me to the inescapable conclusion that the single most important element in an effective and at the same time just and fair loyalty program was the preservation of all files in connection therewith in the strictest confidence. I cannot overemphasize this point.

During the last month I have been reexamining with utmost care the entire problem, and in this connection, I have asked the Attorney General, the Director of the Federal Bureau of Investigation, and Mr. Selsa Richardson,

Chairman of the Loyalty Review Board, to give their careful consideration to this matter. They have unanimously advised me that disclosure of loyalty files would be contrary to the public interest and would do much more harm than good. The Director of the Federal Bureau of Investigation in a report to the Attorney General has outlined the very serious consequences that would result from any such disclosures. The Director of the Federal Bureau of Investigation stated:

1. The public disclosure of FBI reports will reveal investigative procedures and techniques. If publicized, criminals, foreign agents, subversives, and others would thus be forewarned and seek ways and means to carry out their activities, thus avoiding detection and hampering the efficiency of an investigative agency. The underground operations of criminals and subversives already are most difficult of detection and I do not believe the security of the nation would be furthered by applying any additional shackles to the FBI.
2. For the past 25 years, the FBI has represented to the American public that the FBI would maintain their confidences. To make public FBI reports would be to break confidences and persons interviewed in the future might be even more reluctant to furnish information. In recent months, on numerous occasions, some citizens, shirking their responsibility, have refused to furnish information on the grounds that it might be misused and have gone so far as to decline to furnish information, even in applicant investigations, claiming they would do so only if forced by a subpoena.
3. A public disclosure of FBI reports would reveal the identity of sources of information and in some cases at least, would place in jeopardy the lives of confidential sources of information.
4. Disclosure of information contained in FBI reports might result in an injustice to innocent individuals, who find themselves entwined in a web of suspicious circumstances, which can be explained only by further investigation, and disclosures might be made under circumstances which would deny the aggrieved to publicly state their positions.

5. A public disclosure could warn persons whose names appear in FBI reports of the investigation and serve as an effective means of enabling them to avoid detection, to approach witnesses, to bring about the destruction of evidence, or permit them to flee the country.
6. Public disclosure of FBI reports could contribute to black list of persons investigated or could result in degrading persons who have made a mistake or fallen prey to false propaganda.
7. Disclosure might reveal highly restricted information vital to the national security and of considerable value to a foreign power.
8. FBI reports set forth full details secured from a witness and if disclosed could be subject to misinterpretation, quoting out of context, or used to thwart truth, distort half truths, and misrepresent facts.

It is my desire, however, that any charges of disloyalty made before your Subcommittee with respect to any individual be given the most thorough and complete investigation, and it is my purpose to cooperate with your Sub-committee to the greatest extent possible, bearing in mind at all times my responsibility to take care that the investigative activities and efficiency of the Federal Bureau of Investigation remain unimpaired, that innocent people--both those under investigation and those who have provided information--not be unnecessarily prejudiced, and that the effectiveness of the Employee Loyalty Program as a whole not be interfered with. I have, therefore, asked Mr. Seth Richardson, Chairman of the Loyalty Review Board, to have the Board arrange for a complete and detailed review as soon as possible of all cases in which charges of disloyalty have been made before your Sub-committee (including a re-examination of such cases heretofore reviewed by the Board), and have asked him to give me a full and complete report in each case after review. This review will include all reports

of loyalty investigations made by the Federal Bureau of Investigation and files of the State Department and the Civil Service Commission relating to these cases, as well as all other evidence of disloyalty made available to the Loyalty Review Board, including, of course, any evidence produced before your Sub-committee.

For your information, I am attaching hereto a list of the members of the Loyalty Review Board.

Sincerely yours,

Harry S. Truman

1. To: Director,

Re: June 6, 1950

FROM: GUY McCAHAN, S.A.C., Washington Field

SUBJECT: S.M. AGM - LEON
TO: THE ATTENDING BUREAU
INFORMATION CONCERNING

b7c

On May 24, 1950, [REDACTED] and currently employed as an investigator on the staff of United States Senator McCARTHY, furnished the original of the enclosed communication pertaining to captioned subject, which has recently received by Senator McCARTHY.

Enclosed herewith are three photostatic copies of this communication which is self-explanatory. The original of this document has been returned to [REDACTED]

In furnishing this document, [REDACTED] requested that Senator McCARTHY and he be fully protected in the event investigation is initiated or re-opened on the basis of this communication.

These enclosures are submitted for the information of the Bureau. An investigation is contemplated by this office on the basis of this document unless the Bureau advises to the contrary.

Enclosures (3)

cc: WFO 180-20048

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14
E 3 JUN 29 1950

121-13278
NOT RECORDED
82 JUN 27 1950

Dear Congressman:

Tell Senator McCarthy to subpoena a certain letter sent to Seth Richardson, Chairman, President's Loyalty Board about five or six weeks ago by the Protestant War Veterans Organization there in Washington, D. C., but which is being suppressed by the Attorney General. It names names and unmasks for the first time the super spy organization that has its agents in every department of this government in the halls of Congress. Where ever you, Clare, are being spied upon from every angle.

This private pesto, with over sixty thousand paid and unpaid agents and whose budget for the last six months of 1949 exceeded 6 million dollars was named in this dynamic letter with the THREAT that unless the Department of Justice took the proper action, they, the Protestant Veterans would take the necessary action and go into open court and THERE PROVE their charges and this letter is suppressed by this so-called "Loyalty Board".

You just think that over.

I cannot sign my name, you know me well for I am a well known newspaperman who is preparing a series of articles on this stinking setup.

If Seth Richardson denies he has this letter, then ask the Attorney General for it was too damn hot for Richardson, but it made it harder for McCarthy.

Yours in American

FROM

DO-7

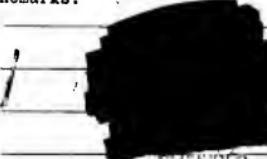
OFFICE OF DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

TO
OFFICIAL INDICATED BELOW BY CHECK MARK

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Roen
Mr. Tracy
Mr. Gurnea
Mr. Harbo *Also a lead*
Mr. Belmont *like a planted*
Mr. Mohr
Mr. Nease
Miss Gandy



See Me
Note and Return
For Your Recommendation
What are the facts?
Remarks: 

RECORDED

INDEXED

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621-23270-180



b7C
58 JUL 1 1950

ENCLOSURE ATTACHED

ENCLOSURE

121-23278-188

When Klaus was gathering material for his report, he came upon this chart. He added this note, which reads:

"I have very little chart. It is not complete, but I have the following:

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The Director

May 15, 1950

Mr. D. M. Ladd

EXECUTIVE BRANCH, U. S. GOVERNMENT
(Names identified by Senator McCarthy)
LOYALTY OF GOVERNMENT EMPLOYEES

PURPOSE:

To recommend that the attached memorandum concerning the individuals identified by Senator McCarthy before the Tydings Subcommittee be forwarded to Mr. Peyton Ford pursuant to his request to be advised regarding the dissemination of information in the Bureau's files and the results of investigations regarding these persons to the Department of State.

BACKGROUND:

You will recall that in my memorandum of May 9, 1950, which is attached, I pointed out that Clive Palmer had called at my office on the evening of May 9, 1950, and left a memorandum listing the names of the 81 individuals named in the subpoena of the Senate Subcommittee. Mr. Palmer advised that Peyton Ford had been in conference all afternoon with Senator Tydings; that Senator Tydings insists that he wants a letter signed by the Attorney General listing the dates of reports on loyalty cases sent to the Civil Service Commission, as well as information on the individuals who were the subjects of preliminary inquiry loyalty investigations, but which were discontinued upon receipt of information that the employees had left the government service. Palmer further indicated Tydings also desired any cases where no investigation was conducted because no derogatory information was available to be listed. According to Palmer, Senator Tydings suggested that a cutoff date of February 20, 1950, be set and that nothing be listed thereafter. Palmer was advised by me that the Bureau would not prepare any such list until we received a memorandum from the Department in writing listing exactly what it was that the Department wanted. It was also suggested that the Bureau not use a cutoff date, but include everything up to the present time. You noted on my memorandum, "I concur."

The attached memorandum dated May 10, 1950, from Peyton Ford requests the following specific information concerning the names included on the "subpoena" list received from the Senate Subcommittee: The Attorney General wishes to prepare a letter to Senator Tydings listing first those individuals in the group on whom loyalty investigations were conducted, attaching copies of the Bureau's transmittal letters or memoranda to the Civil Service Commission; further, in cases where a loyalty investigation was never instituted because of the absence of derogatory information in the Bureau's files or because it was learned prior to the institution of the investigation that the individual had left the service, or where investigations were instituted but later discontinued because the individuals left the service, information is desired regarding what transpired in this respect. Peyton

Original cannot be located
and is not on record. When
original is received in File
Division it will be filed either
with this copy or may be given
a new serial.

Attachment

JUN 30 1954

b7C

4495-678

Ford further pointed out that there may have been, with regard to some of these individuals, memoranda forwarded to the State Department prior to, during, or following the loyalty investigation, or in cases in which no loyalty investigation has been made. He stated it is desired that the Bureau make appropriate identifying reference to any such memoranda. Peyton Ford, as indicated above, stated it is not necessary to include any material submitted subsequent to February 20, 1950.

All references in the Bureau's files have been reviewed concerning the names set forth on the "subpoena" list furnished by Clive Palmer, together with other individuals who have been identified by Senator McCarthy, and the information requested by the Department has been set forth in the attached memorandum dated May 15, 1950, to Mr. Peyton Ford.

You will observe that the material being furnished to the Department is divided into Parts I, II, and III. Part I pertains to the individuals identified on the "subpoena" list. In Part II, there is furnished for the Department's information material relating to additional individuals not identified on the "subpoena" list, but who were identified previously by Seth W. Richardson in a letter to the Bureau dated April 5, 1950. Part III consists of photostatic copies of transmittal letters requested by the Department.

In connection with the review of our files, in addition to reports and memoranda specifically relating to the individuals identified on the subpoena list, it was found that collateral references to these individuals were located in other reports and communications transmitted to the Department of State in some instances. As a general rule, these incidental references have not been included in the memorandum to the Department. In this same connection, you will recall that in the past confidential memoranda have been supplied to the Department of State in connection with the Gregory case, as well as investigation concerning underground Communist activities of government employees. In these memoranda in many instances, numerous individuals were involved and information from highly confidential sources was included. In such memoranda, where one of the persons named by McCarthy is mentioned collaterally, we have not listed the Gregory summary or the summary on the underground Communist activities of government employees, since it is felt that to do so would undoubtedly cause the Subcommittee to request copies of the confidential memoranda which at the time were not specifically given to the State Department regarding the individuals concerned with this request.

The review of the references on the individuals in question also revealed in various instances oral information had been furnished to the Department of State. This oral dissemination of information has been noted in the memorandum to Peyton Ford inasmuch as it may have been made a matter of record in the files of the State Department. For us to delete such information might create an erroneous impression that the Bureau is withholding material.

ACTION

That the attached memorandum be forwarded to Mr. Peyton Ford.

3012

June 6, 1950

5:38 PM

MEMORANDUM FOR MR. TOLSON

MR. LADD
MR. NICHOLS

I called Peyton Ford and told him the State Department had identified one of the three persons previously mentioned; that of course this was speculation but they believed he was [REDACTED]. I stated I had not heard of him; that he was a [REDACTED] and is on the rolls of the State Department at the present time. I also informed Mr. Ford that it was possible that the second individual could be [REDACTED] who is no longer on the rolls of the State Department. I further advised that they had no idea who the third individual was and that this was the best information they had at the present time. However, I stated the State Department does admit there is a chart of the character McCarthy is talking about.

Very truly yours,

J. E. H.

John Edgar Hoover
Director

Director noted on the original:
"What do our files show on
[REDACTED] and [REDACTED]

cc-Mr. Nease

JEH:EH

RECORDED

INDEXED - 34

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SENT FROM B. O. I.
TIME 6-17-50
DATE 1/19
BY [Signature]

FBI JUN 12 50

b7C
121-23278-158
6/23/1950
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FOR THE PRESS

98671

MAY 20, 1950
No. 520FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
WASH. 25, D. C.
Date 5/21/50CAUTION
FUTURE RELEASE
NOTE DATEFOR RELEASE AT 7:00 P.M. E.D.T., SATURDAY, MAY 20, 1950.
NOT TO BE MADE PUBLIC, QUOTED FROM OR
USED IN ANY WAY.

The Department of State today will public the following analysis of the speech delivered by Senator Joseph R. McCarthy, Chicago, May 6, 1950, on "Communism in Government":

1. Senator McCarthy said at Chicago: Senator McCarthy referred to the Department of State's files being examined by the Tydings Subcommittee as "skinny-ribbed bones of the files"; "selected files"; "These purged files"; "phony files"; "1947 and '48 files issued of 1949 and '50".

The Facts. The files transmitted to the Tydings Subcommittee are the full and complete State Department files current as of the date transmitted. They contain all information relevant to the determination of employee loyalty or security. Under the Federal Employee Loyalty Program, the Federal Bureau of Investigation is the agency charged with responsibility for conducting investigations into the loyalty of State Department personnel.

A representative of the Department of Justice has been present at the meetings of the Tydings Subcommittee. The files were viewed by a representative of the Department of Justice before they were turned over to the Subcommittee. The files made available to the Subcommittee contain the material collected by the Federal Bureau of Investigation and transmitted to the State Department.

2. Senator McCarthy said in Chicago: "Now from page 37 of the House Report I quote the following: '...almost anyone and everyone in the State Department had access to the files' ..."

The Facts. The report to which Senator McCarthy referred is a report of the House Appropriations Committee investigators, dated January 27, 1948, which accompanied the list of 106 cases which were the basis of Senator McCarthy's speech of February 20, 1950. Senator McCarthy misquoted this report.

The report said: "... most everyone and anyone in the Division has access to the files ..." 121-23278-182

The Division that the House investigators were talking about was the Division of Security. That is the division charged with the physical and personnel security program of the Department and the Foreign Service, and it is therefore essential that its staff have access to the files when needed.

Senator

Senator McCarthy, by substituting "the State Department" for "the Division of Security", crudely misquotes the language of the report in order to give an entirely false impression: namely, that any and everyone in the Department has access to the files; whereas as a matter of fact such access is strictly limited to employees of the Division when required and to a very small number of employees outside the Security Division, such as the members of the Loyalty Security Board. Senator McCarthy substituted the entire State Department for the Division of Security, a crude misquotation for the purpose of giving an entirely false impression. It is not only a misquotation, it is a quotation out of context, a quotation over two years old made without reference to the facts as they exist at the present time.

3. Senator McCarthy said at Chicago: "Tell them to take the list of names which I have given ... the Secretary of State"

The Facts. Despite Under Secretary of State Faurifoy's reiterated requests since February 11, 1950 that Senator McCarthy furnish the Department with a list of names of the "205" or "77" accused State Department employees, Senator McCarthy has never furnished the Department or the Secretary of State such a list of names.

4. Senator McCarthy said at Chicago: Describing the Federal Loyalty Program, Senator McCarthy said, "First of all, it permits each Department to investigate its own people. Those doing the investigating know little or nothing of communist techniques, even late of about how to conduct an investigation. . . ."

The Facts. The Federal Bureau of Investigation is the agency charged under Executive Order 9835, issued over three years ago, with responsibility for conducting loyalty investigations under the Federal Loyalty Program.

5. Senator McCarthy said at Chicago: Describing loyalty investigations, Senator McCarthy said, "In dozens of cases, in dozens of cases -- for instance, recommendation from Alger Hiss on State Department employees we all that was needed to completely clear them -- like accepting a recommendation from Dillinger in hiring a bank clerk."

The Facts. There is not a single instance of this.

6. Senator McCarthy said at Chicago: "You will recall a former State Department employee by the name of George Wheeler recently retired behind the Iron Curtain after making typical communist name calling statements damning and cursing the United States. This man, George Wheeler, who had been assigned tremendously important work by the State Department had first been given a completely clean bill of health by the Loyalty Board even though his file would have convinced anyone who could add two and two that he was a full fledged communist."

The Facts: At no time has the case of George Wheeler ever been considered by a security or loyalty board of the Department of State. Mr. Wheeler was one of a group of former FEA employees in Germany who in September 1945 were transferred temporarily to the rolls of the State Department. In February 1946 the whole group was transferred to the War

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and in fact Mr. Wheeler's transfer to the War Department was even earlier -- in December 1945. During his brief time on the State Department pay roll, Mr. Wheeler's case was under the jurisdiction of the Civil Service Commission. All these facts were set out in a departmental press release a month before Senator McCarthy made his misstatements.

These facts were also contained in the Department's analysis of Senator McCarthy's April 20th speech to the American Society of Newspaper Editors, in which the Department pointed out twelve glaring McCarthy inaccuracies. Senator McCarthy on May 15 replied to the Department's statement by citing two alleged inaccuracies in the Department's analysis of his speech. He was silent as to the remaining ten. Of the two so-called inaccuracies he cited, one pertains to the case of George Wheeler. As to George Wheeler, Senator McCarthy said that the Department should "admit that Wheeler was on the pay roll and given an absolutely clean bill of health by whatever Government Loyalty Board cleared personnel for the State Department." Two comments may be made thereon: first, as of the date of Mr. Wheeler's brief employment with the Department the present loyalty program, under which the Department's loyalty board was established, was not in existence; second, Senator McCarthy's implication was that the Department's Loyalty Board was at fault. Even Senator McCarthy should see the irrelevancy of his attributing to the State Department matters under the jurisdiction of the Civil Service Commission.

7. Senator McCarthy said at Chicago: "Mr. Service, you will recall, was picked up by the FBI in connection with the Americas case... The papers carried the story that J. Edgar Hoover, who is not noted for over-statements, that J. Edgar Hoover stated that this is a 100 per cent air-tight case of espionage."

Take 1
The Facts. On May 1, 1950, Deputy Under Secretary of State Peurifoy in a letter to Mr. Peyton Ford, The Assistant to the Attorney General, asked whether Mr. Hoover, in fact, made any similar statement. Mr. Ford, on May 8, 1950, replied: "You are advised that Mr. Hoover did not make the statement which has been attributed to him."

The exchange of correspondence is attached. (See pp. 8, 9)

8. Senator McCarthy said at Chicago: "...the State Department which is about to hear the case of Service is now busily giving Mr. Service's lawyer the secret documents which the President has denied the Senate, this so that he can properly defend Mr. Service."

The Facts. The Department has categorically denied this. Mr. Service has been furnished copies of documents which he himself had prepared for the Department in the course of his duties as a foreign service officer.

Relevant excerpts from a letter of May 4, 1950 by General Conrad E. ~~X~~ Snow, Chairman of the Department's Loyalty Security Board, to Mr. Whiteley Reid, editor of the New York Herald Tribune, are attached. (See page 4)

9. Senator

-4-

9. Senator McCarthy said at Chicago: "First take the case of Phillip Jessup, the State Department's Ambassador at Large. Now, here was really a great joiner, especially Communist front organizations...organizations which the President's own Attorney General and Congressional committee have labeled as agents of the Communist Party."

The Facts. In view of Senator McCarthy's repeated assertion the Department wrote to Mr. Morgan, Counsel of the Subcommittee of the Senate Foreign Relations Committee, investigating Senator McCarthy's charges, to see if Senator McCarthy had supplied them with any information to back up these charges. Mr. Morgan replied that Senator McCarthy has not supplied any such material. The only documentary material supplied to the committee concerning the organizational affiliations or associations of Ambassador Jessup was provided by Senator Hickenlooper, a photostat of one letterhead of the American Law Students Association listing Professor Philip Jessup of Columbia University on the Association's "Faculty Advisory Board." The American Law Students Association is listed by the Attorney General and does not appear on the "Citations by Official Government Agencies" issued in 1948 by the House Committee on Un-American Activities.

The correspondence with Mr. Morgan is attached. (See pp. 10 and 11.)

Dr. Jessup testified, before the Subcommittee, that he had joined no Communist-front organizations, whereas the organizations to which he did belong included the following:

The American Legion (He is a former commander of Utica Post #229)
The American Philosophical Society
The Foreign Policy Association
The American Bar Association

On April 6, 1950 the Utica Post #229 passed a resolution condemning Senator McCarthy's attack upon their past commander, Phillip C. Jessup. A copy of this resolution is attached. It will be noted that a copy of it was sent to Senator McCarthy with the admonition that "his reckless and despicable conduct in this instance cannot be condoned by any right-thinking American and should never be repeated if he hopes to retain a shred of public respect." (For copy of resolution, see pp. 11 and 12)

10. Senator McCarthy said at Chicago: "Jessup ... was largely in charge of a publication known as the Far Eastern Survey, the publication of the American Council of the Institute of Pacific Relations; that he was in charge while it was spewing forth the perfused Communist Party line sewage..."

The Facts. Senator McCarthy grossly exaggerated Dr. Jessup's relationship with "Far Eastern Survey" based on the single fact that in 1944 Dr. Jessup served on the Research Advisory Committee of the American Council of the Institute of Pacific Relations.

Senator McCarthy's allegation that "Far Eastern Survey" followed the Communist Party originates in discredited contention made by one Alfred Kohlberg in 1944. The American Council of the Institute of Pacific Relations investigated Kohlberg's charges. In a document circulated to its members, it was demonstrated that Kohlberg had ignored the overwhelming number of facts that did not support his contention. The document showed, among other

things, that Kohlberg had quoted, in connection with "Far Eastern Survey," and other publications, from less than 2 per cent of the articles published and from less than .002 per cent of the books published. In April 1947, the membership of the American Council of the Institute of Pacific Relations in a vote of 1163 to 66 overwhelmingly repudiated Kohlberg's charges as "inaccurate and irresponsible."

11. Senator McCarthy said at Chicago: "I have brought with me .. photostatic copies of checks representing thousands of dollars of Communist money paid to Jessup's organization." As documentation he provided photostats of two checks signed by Frederick Vanderbilt Field totalling \$3,500.

The Facts. This is another repetition of a refuted charge made by Senator McCarthy many times before. Senator McCarthy repeats it although it has already been refuted. The inference is that the Institute of Pacific Relations had been "bought" with Communist money. At that time, Dr. Robert Gordon Aproul, President of the University of California, was Chairman of the American Council of the Institute of Pacific Relations; Mr. Francis Harmon, Vice President of the Motion Picture Export Association, was Treasurer; and Mr. William R. Herod, now President of the International General Electric Company, was Chairman of the Finance Committee.

Mr. Juan Trippe, President of Pan American Airways, and Mr. Harry Luce, of Time and Life, were sponsors of a drive during that period for funds on behalf of the American Council of the Institute of Pacific Relations. Mr. Field's contributions, according to Senator McCarthy's own figures, totalled only \$3,500, as compared with a total expense for the two-year period of approximately \$200,000. About half of the amount was met by contributions from the Rockefeller Foundation and Carnegie Corporation. Generous donations by large industrial concerns made up a large portion of the remainder.

12. Senator McCarthy said at Chicago: "Mr. Lattimore, as the nation knows, has long been referred to as the architect of the State Department's Far Eastern policy, the architect whose shadow lingers over the corpse of China."

The Facts. Senator Tydings asked Secretaries Hull, Byrnes, Marshall and Acheson whether this description was true or false. They all replied that it was false. These letters were made public by Senator Tydings on April 29, 1950. The person responsible for long and repeated use of the term "architect of the Far Eastern Policy" is Senator McCarthy who employed the term in his testimony before the Subcommittee.

13. Senator McCarthy said at Chicago: "...so that you will have a full picture of the extent to which Lattimore shaped our dismal policy of failure in the Far East, I call to your attention a secret document which he furnished to the State Department in August of 1949, a document which the State Department itself labeled as a guide for Ambassador at Large Jessup...

The Facts. This is another repetition of a refuted McCarthy charge.

The

The Department publicly and fully explained in press conferences on March 31, that Owen Lattimore was one of a group of 31 persons who submitted written memoranda in response to requests made in August, 1949, by Ambassador Jessup. These memoranda were used as background material by a consultants' committee consisting of Mr. Raymond B. Fosdick, Mr. Everett Case, and Ambassador Jessup in their study of United States foreign policy in the Far East. (Mr. Lattimore's memorandum was never singled out, or labeled as a guide for Ambassador Jessup.) Mr. Lattimore as director of the Walter Hines Page School of International Relations at Johns Hopkins, was also one of 25 private individuals participating in a round-table discussion on October 6, 7, and 8, 1949 arranged by the Office of Public Affairs for the purpose of exchanging views with informed private citizens on United States foreign policy toward China. The 31 who submitted memoranda were:

Former Consul General Joseph W. Ballantine,
now at Brookings Institution
Professor Hugh Morton, Columbia University
Former President Isaiah Bowman, Johns Hopkins University
A. J. Brumbaugh, American Council on Education,
Washington.
Former Ambassador William Bullitt
Former Under Secretary Castle
Former Consul John A. Embry
Professor Rupert Emerson, Harvard University
Dr. Charles B. Fuchs, New York City
Professor John K. Fairbank, Harvard University
Dr. Huntington Gilchrist, New York City
Professor Carrington Goodrich, Columbia University
Former Under Secretary Grew
Colonel Robert A. Griffin,
Former Deputy Administrator, ECA China
Former Ambassador Stanley K. Hornbeck
Roger Lapham, Former Administrator, ECA China
Professor Kenneth S. Latourette, Yale University
Professor Owen Lattimore, Director of the Walter Hines
Page School of International Relations, Johns Hopkins
University
Oliver C. Lockhart, Export-Import Bank of Washington
Walter H. Mallory, Council on Foreign Relations
Professor Wallace Moore, Occidental College, Los Angeles
Professor Edwin O. Reischauer, Harvard University
C. A. Richards, Economic Cooperation Administration
Former Minister Walter S. Robertson, Richmond, Virginia
Dr. Lawrence K. Rosinger, New York, New York
Mr. James Rowe, Washington
Mrs. Virginia Thompson (Adloff), New York City
Professor Amry Vandenberg, University of Kentucky
Professor Karl A. Wittfogel, Columbia University
Professor Mary Wright, Stanford University
Admiral Yarnell

The following, including Mr. Lattimore and some others of the 31, attended the Round Table at the Department October 6, 7, and 8 to discuss Far East Policy:

Joseph W. Ballantine, The Brookings Institution,
Washington, D. C.
Bernard Brodie, Department of International Relations,
Yale University, New Haven, Connecticut
Claude A. Buss, Director of Studies, Army War College,
Washington, D. C.

Kenneth Colgrove, Department of Political Science,
Northwestern University, Evanston, Illinois.
Arthur G. Coons, President, Occidental College,
Los Angeles, California.
John W. Decker, International Missionary Council,
New York, New York.
John A. Fairbank, Committee on International and Regional
Studies, Harvard University, Cambridge, Massachusetts.
William R. Herod, President, International General Electric
Company, New York, New York.
Arthur N. Holcombe, Department of Government,
Harvard University, Cambridge, Massachusetts.
Benjamin H. Kizer, Graves, Kizer, and Graver, Spokane,
Washington.
Owen Lattimore, Director, Walter Hines Page School of Interna-
tional Relations, Johns Hopkins University, Baltimore,
Maryland.
Ernest B. MacNaughton, Chairman of the Board,
First National Bank, Portland, Oregon.
George C. Marshall, President, American Red Cross,
Washington, D. C.
J. Korden Murphy, Assistant Vice President,
Bankers Trust Company, New York, New York.
Nathaniel Peffer, Department of Public Law and Government,
Columbia University, New York, New York.
Harold S. Quigley, Department of Political Science,
University of Minnesota, Minneapolis, Minnesota.
Edwin O. Reischauer, Department of Far Eastern Languages,
Harvard University, Cambridge, Massachusetts.
William S. Robertson, President, American and Foreign
Power Company, New York, New York.
John D. Rockefeller, III, President, Rockefeller Brothers'
Fund, New York, New York.
Lawrence K. Rostinger, American Institute of Pacific Relations,
New York, New York.
Eugene Staley, Executive Director, World Affairs Council
of Northern California, San Francisco, California.
Harold Stassen, President, University of Pennsylvania,
Philadelphia, Pennsylvania.
Philip Talbot, University of Chicago, Chicago, Illinois.
George E. Taylor, University of Washington, Seattle,
Washington.
Harold M. Vinecke, Department of Political Science,
University of Cincinnati, Cincinnati, Ohio.

All of the memoranda and all of the views above referred to
were of course submitted in confidence by their authors, and the
Department could not expect these people to be frank unless it
respected that confidence. The Department would not and did not,
however, in any way interfere with publication of any memorandum
by its author. In fact, the substance of Mr. Lattimore's article
was published in an article which he wrote for the January 1950
issue of The Atlantic magazine.

14. Senator McCarthy said at Chicago: "But let me give a brief
resume of the official Communist Party program for Asia -- there is
no secret about that. Number 1, destroy the armies of Chiang
Kai-shek. Number 2, get the United States out of Korea. Number 3,
force the withdrawal of United States forces from Japan; and
number 4, prevent the formation of a Pacific Pact against Communist
aggression.

"Now

-8-

"Now, what does Lattimore tell Jessup our policy in Asia should be? Listen to this if you will: Number 1, Abandon Chiang Kai-shek; number 2, get out of Korea; number 3, withdraw United States forces from Japan; and 4, deny the need of a Pacific Pact."

The Facts. This is another repetition of a refuted McCarthy charge.

The United States' record and policy in the Far East, as it relates to the points made by Senator McCarthy may be summarized as follows:

- (1) The United States poured tremendous amounts of aid into China in efforts to bolster the government of Chiang Kai-shek.
- (2) The United States has led the fight for a free, democratic Korea; has taken its case to the United Nations; and, since the establishment of this government, has contributed substantial economic and military support.
- (3) The United States as the principal occupying power in Japan will not enter into any peace treaty which makes impossible adequate protection of United States' security interests in the Western Pacific.
- (4) The United States has publicly indicated that it would look with sympathy upon a regional alliance of Pacific nations, provided the impetus for such an association came from the nations themselves.

Following is the material referred to on pages 3 and 4:

Exchange of correspondence between Mr. John E. Peurifoy, Deputy Under Secretary of State, and Mr. Peyton Ford, Assistant to the Attorney General, (referred to on page 3):

May 1, 1950

Dear Mr. Ford:

In his address on April 20, 1950 to the American Society of Newspaper Editors at the Hotel Statler in Washington, Senator McCarthy said:

"One of those arrested was John S. Service. He was never convicted; he was never tried; he was never indicted.

"J. Edgar Hoover, Director of the FBI, publicly stated at the time of the arrests that this case was a 100-per-cent air-tight case of espionage. At the time the case broke John S. Service was picked up by the FBI, Mr. Hoover made that statement, and he seldom errs on the side of overstatement, as you well know."

The Department of State is naturally interested in whether or not this statement of Senator McCarthy is an accurate one. As a result, I would appreciate it if you would inform the Department as soon as possible whether the Director of the Federal Bureau of Investigation made any statement similar to that attributed to him by Senator McCarthy.

Sincerely yours
JOHN E. PEURIFOY
Deputy Under Secretary

The Honorable
Peyton Ford,
The Assistant to the Attorney General.

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May 8, 1950

John E. Peurifoy, Esquire
Deputy Under Secretary
Department of State
Washington, D. C.

Dear Mr. Peurifoy:

This is in reply to your letter dated May 1, 1950, inquiring as to the accuracy of a statement alleged to have been made by J. Edgar Hoover, Director, Federal Bureau of Investigation, at the time of the arrest of John S. Service and other suspects involved in the so-called "Americasia" case. You are advised that Mr. Hoover did not make the statement which has been attributed to him.

Yours Sincerely,

PEYTON FORD
The Assistant to the Attorney General

EXCERPTS FROM GENERAL SNOW'S LETTER TO THE NEW YORK HERALD TRIBUNE
(Referred to on page 3)

Because of the reputation of the New York Herald Tribune for fair and objective reporting, I am taking the liberty of calling your attention to the headings of two articles which appeared in your issues of May 3 and 4, respectively, regarding the conduct of the John S. Service case by the Loyalty Security Board of the Department of State, of which I am Chairman . . .

Nor is it true that Mr. Service is being given any illegitimate advantage in the matter of access to papers. Mr. Service has not been given and will not be given access to the loyalty or personnel files which were gathered by the FBI and other investigatory bodies and which were refused by the President to the Senate Committee. Mr. Service is entitled, however, as a matter of elementary fairness to see and put in evidence, any reports or other papers in the files of the State Department which were prepared by him or in connection with the missions on which he served, which may be material to his defense. Action by the Department of State is necessary to permit him to show them to counsel. To date, the only confidential documents on which this action has been taken are documents actually written by Mr. Service himself. This is all there is to that part of the story.

The Loyalty Security Board of the Department of State is a judicial body set up for the purpose of giving to an employee accused of disloyalty, or of being a security risk, a fair hearing. While under the regulations he has no opportunity to confront and cross-examine witnesses who have given confidential information to the Board, or even to see a transcript of their statements, he is advised of the substance of the accusations, and must be given a fair opportunity to defend himself, not only by his own testimony, but also by the production of any witnesses or of any documentary evidence that may tend to establish his innocence of the accusations. The Board has an obligation to give him the fullest opportunity to prepare and present his defense.

Exchange

Exchange of correspondence between Mr. John E. Peurifoy, Deputy Under Secretary of State, and Mr. Edward P. Morgan, Chief Counsel, Foreign Relations Subcommittee Investigating the State Department:
(Referred to on page 4)

May 16, 1950

Dear Mr. Morgan:

In connection with the analysis of Senator McCarthy's speech to the American Society of Newspaper Editors forwarded on May 17, 1950 to the Society by Assistant Secretary Barrett, Senator McCarthy has stated, as quoted on May 15 by the Associated Press:

"The State department also states that Jessup belonged to no Communist front organizations. I gave photostatic proof to the committee that he was affiliated with five organizations listed by the Attorney General or congressional committees as fronts for the Communist Party.

"He was a director of one of the worst of such organizations named by the Attorney General, namely the China Aid Council of the American League for Peace and Democracy."

At Atlantic City on the same day he said:

"... Now, the thing they forget is that I have presented to the Committee photostats showing that he belonged, that he was affiliated with not one, but with five Communist front organizations; and that he not only belonged to, but was a Director of one of the worst of the lot, named as such by the Attorney General..."

In view of these assertions of Senator McCarthy, it would be very much appreciated if you could make available to this Department copies of the photostats which the Committee has received from him.

Sincerely yours,

JOHN E. PEURIFOY

Mr. Edward P. Morgan,
Chief Counsel,
Foreign Relations Subcommittee,
The Capitol.

May 17, 1950

Mr. John E. Peurifoy
Deputy Undersecretary
U.S. State Department
Washington, D. C.

Dear Mr. Peurifoy:

Reference is made to your letter of May 16, 1950, referring in turn to the remarks, as quoted by the Associated Press, of Senator Joseph R. McCarthy relative to Dr. Philip Jessup, as follows:

"The State Department also states that Jessup belonged to Communist front organizations. I gave photostatic proof to the committee that he was affiliated with five organizations listed by the Attorney General or congressional committees as fronts for the Communist Party.

WHEREAS, the sterling character, splendid reputation, and unquestionable loyalty and patriotism of Past Commander Philip C. Jessup, both privately and in his public capacity as U.S. Ambassador-at-Large, have recently been subjected to scurrilous, unprincipled, and wholly unjustifiable attack by one Joseph McCarthy, who in so doing has sullied the office of U.S. Senator which he presently holds,

NOW THEREFORE, BE IT RESOLVED that Utica Post #229 American Legion and its entire membership shall and do strongly resent, condemn and decry the unprincipled, unjustified, unsportsmanlike, un-American and intolerable conduct of Senator Joseph McCarthy in his wanton attempt without proof or reason to smear and destroy the good reputation and high standing of so devoted and patriotic a citizen as our esteemed and valued friend and comrade, the Honorable Philip C. Jessup, U.S. Ambassador-at-Large; and be it further

RESOLVED, that Utica Post #229 American Legion and its members in meeting duly assembled feel privileged at this time to reaffirm their continued trust and confidence in, their esteem and devotion to, and their lasting friendship for a distinguished public servant, a loyal patriot, and a great citizen, the Hon. Philip C. Jessup, a Past Commander of this Post; and be it further

RESOLVED that this resolution be inscribed upon the Minutes of this meeting, that a copy thereof be delivered to our comrade, Ambassador Jessup; that a second copy be delivered to the public press; and that a third copy be mailed to Senator McCarthy with the admonition that his reckless and despicable conduct in this instance cannot be condoned by any right thinking American and should never be repeated if he hopes to retain a shred of public respect.

"He was a director of one of the worst of such organizations named by the Attorney General, namely the China Aid Council of the American League for Peace and Democracy."

* * *

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"...Now, the thing they forgot is that I have presented to the Committee photostats showing that he belonged, that he was affiliated with not one, but with five Communist front organizations; and that he not only belonged to, but was a Director of one of the worst of the lot, named as such by the Attorney General. . . ."

Relative to your request for photostatic copies of the material stated to have been turned over to the subcommittee by Senator McCarthy, you are advised that after a careful and diligent search of our files, we find no record of any material having been turned over to the subcommittee by Senator McCarthy indicating that Dr. Jessup has been associated with Communist front organizations.

For your information, however, in the course of Senator Hickenlooper's examination of Dr. Jessup, he offered in evidence, at page 530 of the transcript, a photostat of a letterhead of an organization known as the American Law Student's Association on which "Prof. Philip Jessup" of Columbia University is listed on the "Faculty Advisory Board", along with other named individuals. The Subcommittee has been supplied no other documentary material concerning organizational affiliations or associations of Dr. Jessup.

After hearing of Senator McCarthy's statements referred to above, I immediately called his office requesting the photostatic material to which he referred. Again on May 16, 1950, I called Senator McCarthy personally, advising that the subcommittee had not been supplied the photostatic material concerning Dr. Jessup to which he had referred and requested that he supply the same for our record. As yet, I have not been supplied the photostats in question.

Should they be received by me, I shall be glad to make copies thereof available to your office.

Sincerely yours,

EDWARD F. MORGAN
Chief Counsel
Subcommittee Investigating
the State Department.

RESOLUTION CONDEMNING ATTACK UPON PAST COMMANDER PHILIP C. JESSUP
ADOPTED AT A REGULAR MEETING OF UTICA POST #229 AMERICAN LEGION,
HELD ON APRIL 6TH, 1950 (Referred to on page 5)

WHEREAS, Utica Post #229 American Legion is proud to number among the list of its Past Commanders a distinguished comrade, a former Charter Member, Ambassador Philip C. Jessup, whose patriotic devotion and continued helpfulness to our Legion over a period of many years is a source of great satisfaction to Utica Post and to its entire membership;

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OFFICE OF THE DIRECTOR
FEDERAL BUREAU OF INVESTIGATION

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Mr. Tolson ✓
Mr. Clegg ✓
Mr. Glavin ✓
Mr. Ladd ✓
Mr. Nichole ✓
Mr. Rosen ✓
Mr. Tracy ✓
Mr. Harbo ✓
Mr. Belmont ✓
Mr. Carlson ✓
Mr. Winterrowd ✓
Mr. Pennington ✓
Mr. Tolson ✓
Mr. Jones ✓
Mr. Gandy ✓
Mr. Edwards ✓
Mr. McGuire ✓
Mr. Mohr ✓
Mr. Gauthier ✓
Mr. Nease ✓
Miss Gandy ✓

Miss Holmes ✓
Miss Dougherty ✓
Telephone Room ✓
Records Section ✓
Personnel Files ✓
Reading Room ✓

For Your Info: Please Initial
Note and Return: See Me
File: Call Me
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Office Memorandum • UNITED STATES GOVERNMENT

TO : The Director

DATE: June 9, 1950

FROM : D. M. Ladd

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

PURPOSE: To furnish you summaries of information contained in Bureau files concerning [REDACTED] and [REDACTED] whom the State Department has named as being possibly identical with three individuals mentioned by Senator McCarthy in his speech in the Senate on June 6, 1950.

BACKGROUND: You will recall that Senator Joseph R. McCarthy made a speech in the Senate on June 6, 1950, in which he referred to a chart alleged to have been prepared by the Bureau purportedly showing the number of "agents," "Communists," "sympathizers" and "suspects" in the State Department as of May 15, 1947. Senator McCarthy made the statement that three persons listed in the chart are still on the rolls of the State Department. In your memorandum dated June 6, 1950, to Mr. Tolson, Mr. Nichols and myself you pointed out that you had advised Mr. Payton Ford of the Department that the State Department had tentatively identified two of the three persons mentioned by Senator McCarthy as [REDACTED] and [REDACTED] but had no idea as to who the third individual was. On your memorandum you penned the notation: "What do our files show on [REDACTED] and [REDACTED]"

You will also recall that on June 7, 1950, as reflected in my memorandum to you, State Department officials advised [REDACTED] of the Liaison Section that they have been able to identify two of the individuals named by Senator McCarthy, namely, [REDACTED] and [REDACTED]. The same officials stated that [REDACTED] may or may not be the third person.

With regard to [REDACTED] who has been employed by the State Department since 1938 as a [REDACTED] this individual has been investigated on three separate occasions by the Bureau. [REDACTED] was first investigated at the request of the State Department during May and June, 1940, and a copy of the report reflecting the results of the investigation was forwarded to the State Department on July 26, 1940. [REDACTED] was again investigated by the Bureau during the period from March to June, 1942, and copies of the reports covering that investigation were likewise forwarded to the State Department at that time for consideration under the Hatch Act. By letter dated October 24, 1944, the State Department recommended that the case concerning [REDACTED] be closed. A full field loyalty investigation was conducted regarding [REDACTED] from June through August, 1948. Copies of the loyalty reports were furnished to the Civil Service Commission on August 26, 1948, and by letter dated January 9, 1949, the Commission advised that [REDACTED] was being retained.

25 Attachment

INDEXED

121-23278-183

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[REDACTED] mentioned by the State Department, is undoubtedly identical with [REDACTED]

[REDACTED] On December 2, 1942, a Hatch Act investigation was instituted concerning [REDACTED]

[REDACTED] Washington, D. C. Copies of reports containing the results of the investigation were transmitted to the Interdepartmental Committee on Employee Investigations on March 16, 1944. By letter dated March 6, 1945, to Honorable Herbert E. Gaston, Chairman, Interdepartmental Committee on Employee Investigations, [REDACTED] advised that [REDACTED] was being retained. A preliminary loyalty inquiry was instituted on March 21, 1950, to determine whether [REDACTED] is currently employed by the Federal Government. It was ascertained from the Civil Service Commission that he is not so employed, having left his employment with the Department of State in July, 1946.

Based upon a request from the State Department, the Bureau initiated a Security investigation regarding [REDACTED] on May 29, 1946. The investigation was discontinued when [REDACTED] resigned from his position on September 23, 1946. Copies of reports containing pertinent information were furnished the State Department on October 4, 1946, and December 11, 1946. On May 14, 1948, at the request of the State Department, an investigation of [REDACTED] was initiated under the provisions of Public Law 402, 80th Congress (Voice of America) and copies of reports reflecting the results of the completed investigation were transmitted to the State Department by letter dated July 16, 1948.

ACTION: None. Summaries on [REDACTED] and [REDACTED] are attached for your information.

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XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET17

Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

Deleted under exemption(s) (b)(1), (b) 7(c) (d) b(6) with no segregable material available for release to you.

Information pertained only to a third party with no reference to you or the subject of your request.

Information pertained only to a third party. Your name is listed in the title only.

Document(s) originating with the following government agency(ies) _____, was/were forwarded to them for direct response to you.

Page(s) referred for consultation to the following government agency(ies); _____ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

Page(s) withheld for the following reason(s):

For your information: _____

The following number is to be used for reference regarding these pages:

121-83278-183 Enclosure

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X NO DUPLICATION FEE X
X FOR THIS PAGE X
XXXXXXXXXXXXXXXXXXXX

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ladd *st*

FROM : A. H. Belmont *AB*

SUBJECT: Charges of Senator Joseph McCarthy
Bureau Prepared Chart on Communists in State Department

DATE: June 9, 1950

Mr. Samuel S. Boykin, State Department, contacted [REDACTED] this morning and stated that he had talked to the Director last night concerning a proposed State Department release at 12:00 noon today. He stated that the Director approved in substance a release which would state that the charts were not prepared by the FBI and that the State Department had verified this with the FBI and the Department of Justice. The release further stated that the FBI did not evaluate the material as it did not prepare it.

Mr. Boykin stated he wanted to call this to [REDACTED] attention, but stated he had previously cleared it with the Director.

ACTION:

None. This is for your information.

Right, but I also told him
the Adams Klan was a lie.

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DEPARTMENT OF STATE

FOR THE PRESS

6/6/54

JUNE 9, 1950

No. 614

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Reb. 100
The Department of State has already characterized as absolutely false the statement by Senator McCarthy that a photostat which he produced on the Senate floor June 6 constituted proof that three men individually listed by the FBI as Communist agents in 1946 are still working for the Department.

It has pointed out that the Senator's charge was based upon the completely erroneous belief that a 1946 chart referred to in the photostated document, a chart purportedly evaluating Departmental personnel in terms of Communist "agents", "Communists", "sympathizers", and "suspects", was prepared by the FBI.

Furthermore, the Department has stated that the chart in question was not prepared by or received from the FBI, but was merely a working document prepared in the Department's Security Office as a basis of further personnel investigations in 1946.

The Department has also stated that no persons purportedly identified on that chart as Communist "agents", "Communists" and the like are now employed by the Department except those whose loyalty has since been thoroughly checked, evaluated, and reviewed under the President's Loyalty Program.

Since the issuance of this statement to the press by the Department, on June 6, 1950, a thorough review of the chart and report in question, together with a careful inquiry into the circumstances of their preparation and the status of personnel involved, has been made by the Department.

The following analysis of Senator McCarthy's speech is based upon the facts developed by that study:

1. Senator McCarthy told the Senate on June 6: "The Bureau (FBI) sent to the State Department on that date (May 15, 1946) a detailed statement listing what they considered as No. 1, Communists; No. 2, Communist agents; No. 3, Communist sympathizers; and No. 4, suspects." *12-10082-78*

The facts: As previously stated by the Department, neither the chart itself nor the report of August 3, 1946 in which Senator McCarthy has cited a reference to the chart, was prepared by or sent to the State Department by the FBI, and this has been verified to the Department of State both by the Department of Justice and by the FBI. On the contrary, the chart and the report were prepared within the Department of State itself. The chart was prepared on May 15, 1946 and the report on August 3, 1946.

The Department of State itself, after consultation with the writer of the report, with the former Security Officer under whose direction and in whose office the chart was prepared, with certain of his then subordinates familiar with the chart, and with the Federal Bureau of Investigation, and after reviewing working papers which are still in our file, has conclusively determined that the chart was not prepared or furnished by the FBI, but was prepared as an investigator's working document in the Department of State in 1946 and by employees of the Department of State. Interview with the writer of the report, who is still in the Department, and the Security Officer with whom he had a conference about the chart established that the writer of the report drew from his conversation with the Security Officer the unintentionally erroneous conclusion that the chart was prepared in the FBI. *145*

2. Senator

2. Senator McCarthy told the Senate on June 6: "The function of the FBI is merely that of a fact-finding body... This is the only time it has been brought to my attention that the FBI has departed from this function and said, 'We will evaluate our own secret files in our files and give it to the Department'. Apparently, the reason was that they must have been seriously disturbed by what they had in their files..."

The Facts: ~~that~~ ~~the~~ ~~chart~~ ~~is~~ ~~not~~ ~~the~~ ~~chart~~ ~~in~~ ~~the~~ ~~first~~ ~~place~~ ~~it~~ ~~was~~ ~~not~~ ~~prepared~~ ~~or~~ ~~submitted~~ ~~by~~ ~~the~~ ~~FBI~~ ~~to~~ ~~begin~~ ~~with~~. ~~Information~~ ~~from~~ ~~the~~ ~~FBI~~ ~~was~~ ~~included~~ ~~with~~ ~~information~~ ~~from~~ ~~other~~ ~~agencies~~ -- OSS, Civil Service, etc., in the files which the State Department personnel consulted in drawing up the chart; but there was no FBI evaluation of the State Department employees.

In the second place, since the FBI had nothing to do with the preparation of the chart, it obviously could not have talked to itself in the manner described by Senator McCarthy about the "evaluation" of "evidence" concerned. Since the issuance of the State Department's first statement in this connection, the FBI has verified to the Department the fact that it not only had nothing to do with the preparation of the chart but that it also had nothing to do with evaluating the personnel indicated on the chart as purported "agents", "Communists", etc., or in any other way. Thus, Senator McCarthy's assertion that the FBI took unprecedented action in the matter is utterly unfounded, and his inference that the FBI took such action because it was "seriously disturbed" by the contents of its files is pure fantasy.

3. Senator McCarthy told the Senate on June 6: "The submission of the list of Soviet Agents, Communists, and so forth, to the State Department by the FBI met with such little favorable activity on the part of the State Department that, so far as I know, the Bureau has never submitted a like chart since that date."

The Facts: Though the chart in question had not been submitted to the Department by the FBI back in 1946 or at any other time it was, as a matter of fact, a working list of Departmental personnel on whom the Department's Security Officer at that time (May 15, 1946) had received allegations which, in the opinion of the Security Officers by whom the chart was prepared, warranted further investigation. Virtually the entire activity of the Security Officer and his top men at that time was directed toward the utilization and full development of the leads and information received from the FBI, from departmental investigation and other sources, particularly relating to the people listed on the 1946 chart. Moreover, on the basis of the findings and recommendations contained in the "Secret" report in which the chart was referred to, energetic steps were taken toward an improved Security set-up of the Department, including the successful direction of such investigations as that leading in 1946 to the firing, followed by trial and conviction, of Carl Marzani.

4. Senator McCarthy told the Senate on June 6: "This (the language of the report) is not the language of McCarthy; it is the language of the State Department's top investigators."

The Facts: The language was not the language of any one of the Department's "investigators"; it was the language of an administrative officer of the Department, assigned by Assistant Secretary Russell, in charge of the Department's security program, to undertake, on a highly confidential basis, a study in Washington of the operations of the Department's organization in 1946 for dealing with problems of personnel security.

SENATOR

5. Senator McCarthy told the Senate on June 6: "The man who makes this report pays in effect. The only way we are going to get rid of the other Communists is accidentally by a reduction in the force. . . . From all the information we have been able to obtain, none of the men who were labeled by the FBI have been fired, but were allowed to resign. . . ."

The Facts: The writer of the report said no such thing directly or by implication. His report dated August 3, 1946 in fact was intended to, and did, explore the means for making existing security procedures more effective, especially against the penetration of foreign intelligence agencies into the Department of State. His reference to reduction in force as a factor in eliminating persons named on the chart was factual - but it did not exclude other methods. Such other methods, including resignation - which the Senator himself contradictorily names as the only method - and firing, where investigation supported this action, were effectively employed. No case today remains unresolved.

6. Senator McCarthy told the Senate on June 6: "The FBI wisely refused to submit top secret information to the State Department on these dangerous individuals . . . apparently not trusting the State Department to that extent . . ."

The Facts: The FBI has never refused to make available to appropriate officers of the State Department through established liaison channels information concerning State Department personnel.

7. Senator McCarthy told the Senate on June 6: "At least three of those listed as Communist agents by the FBI three years ago are still holding high positions in the State Department. Those names are included among the 106 names that I gave to the (Tydings) committee . . . Those names I have checked and I know the persons are working in the State Department . . . I . . . have the proof that those men are working in the State Department as of this very moment."

The Facts: This statement is absolutely false. The Department of State has in its possession the working chart itself dated May 15, 1946. Of the 20 persons hypothesized on the chart as "agents", there is only one who - after thorough reinvestigation including a full FBI investigation, and clearance under the Department's Loyalty and Security procedures - is still in the employ of the Department. That one does not hold a "high position"; his grade is GS-2. Furthermore, that one is not on the list of 106 Senator McCarthy gave the Tydings Subcommittee. . . .

8. Senator McCarthy told the Senate on June 6: "You will note that I am . . . only referring today to those who are listed as Communist agents. I hope to be able to give the Senate a complete picture of how many of the total of 106 agents, Communist sympathizers, and so forth, are still on the State Department's payroll. . . ."

The Facts: Any person among those listed on the old 1946 working chart referred to by Senator McCarthy who is still employed in the Department of State has been the subject of careful investigation and has been cleared for security after thorough study of his case either by the Division of Security, acting with the benefit of the FBI's information, or by the Loyalty Security Board of the Department. Each loyalty decision by the Department's Loyalty Board has been post-audited by the Loyalty Review Board, and in no case was the recommendation of the Department's Board changed. . . .

9. Senator McCarthy told the Senate on June 6: "Take, for example, case No. 1, which I presented on the Senate floor, the name has not yet been made public, so we shall not use it now. The committee has the name. In that case the Loyalty Review Board made what is known as a post-audit, and, after looking at the post-audit, they said, 'We are not satisfied with the finding.' They sent it back to the State Department Loyalty Board, and that Board said 'The case is closed.' That man is still on the State Department payroll."

The facts: Once again, Senator McCarthy's alleged quotations are not quotations -- they are typical misstatements. The Loyalty Review Board did not advise the Department of State that they were "not satisfied with the finding" in this case; they did make a procedural recommendation, and thereafter the case was not "closed". On the contrary, appropriate action was taken by the State Department Loyalty Security Board, and clearance in this case was again post-audited by the President's Loyalty Review Board. The Loyalty Review Board has in no way criticized or changed the final action and findings of the Department's Loyalty Security Board.

10. Senator McCarthy told the Senate on June 6: "... In the Office of War Information, Mr. Owen Lattimore ... Went to bat for one Communist ... who had been officially turned down by the Loyalty Board ... and another Chinese who had been rejected by one member of the board...

The facts: As the Department pointed out in its analysis of the Senator's Rochester, New York, speech on May 25, he now appears to be reduced to an attempt to divert attention with 1943 Civil Service Commission clearances for Office of War Information employment of two Chinese.

As for Mr. Owen Lattimore, both Mr. Lattimore himself and the Department of State have repeatedly reiterated that he is not an employee of the Department.

At Wheeling, West Virginia, on February 9, 1950, Senator McCarthy asserted in a speech:

"... While I cannot take the time to name all the men in the State Department who have been named as active members of the Communist Party and members of a spy ring, I have here in my hand a list of 205 - a list of names that were made known to the Secretary of State as being members of the Communist Party and who nevertheless are still working and shaping policy in the State Department."

The next day, he said he had the names of "57 card-carrying members of the Communist Party" allegedly working in the Department. Later he talked in terms of a "big three" and of 81 security risks of various sorts. He told the Tydings Committee to investigate 106 cases. Eventually, he said he would stand or fall on his ability to prove that there was one "top Soviet espionage agent" in the State Department.

And then, on June 6, we hear of 106 names on a four-year-old working chart and three "agents" purportedly still at large in the Department of State.

But the record - the facts - speak for themselves: Senator McCarthy has utterly failed to show that there is a single Communist or pro-Communist in the State Department. His numbers change; his credibility does not. ***

21-23278-185

June 14, 1950

PERSONAL AND SOCIETY
BY SPECIAL ARRANGEMENT

Honorable James E. Webb
Under Secretary of State
Department of State
Washington, D. C.

Dear Mr. Webb:

Recent newspaper articles have come to my attention containing statements made by Senator Joseph R. McCarthy, wherein he quoted excerpts from the State Department report prepared by Mr. Samuel Klaus of your Department which referred particularly to an alleged "KGB Chart."

The comments made by Mr. Klaus in his report concerning this alleged "FBI Chart", as they appeared in the newspapers, were completely erroneous. This Bureau did not send any such chart to the State Department, and, of course, made no evaluation of information as was indicated in the report. The author of the report took occasion to criticize the FBI in this report. This Bureau does not claim to be infallible; however, it appears that, if the State Department had any questions concerning the report, the matter should have been discussed with us at that time. I want to point out that the erroneous statements made by Mr. Klaus were highly embarrassing and prejudicial to the FBI.

As you are aware, this Bureau cooperates fully with your Department through established liaison channels. I thought you would be interested in knowing the true facts in this matter, and they are being furnished to you for whatever action you may deem desirable.

Sincerely yours,

J. Edgar Hoover
John Edgar Hoover
Director

~~Tolson~~
~~Leake~~
~~Hoag~~
~~Levin~~
~~Nichols~~
~~Reed~~ ✓
~~Tracy~~
~~Marshall~~
~~Miller~~
Tele. Room
Records

BY SP-5 MSGR.
JUN 15 1950
FONN - FM

Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE: June 9, 1950

FROM : D. M. LADD

SUBJECT: CHARGES OF SENATOR JOSEPH R. McCARTHY
CONCERNING FBI CHART ON COMMUNISTS
ALLEGEDLY GIVEN TO THE STATE DEPARTMENT
(Washington Post news item of 6-7-50)

Reference is made to the attached newspaper article which appeared in the Washington Post on June 7, 1950 setting forth criticisms by the State Department of FBI investigations as quoted from a State Department document in the possession of Senator Joseph R. McCarthy. You commented on this by stating: "We ought to run this down. Find out who in State Dept. wrote this criticism of FBI & what it is based on. H."

This matter was covered in my memorandum to you of June 7, 1950 from information obtained by [REDACTED] in the State Department that the newspaper article reflects the direct quotations by Senator McCarthy from the State Department report prepared by Mr. Samuel Klaus of that Department on August 3, 1946. The report of Klaus' (a copy of which the Bureau has now obtained) was in the form of a survey he made of the Security and Investigative Branch of the State Department in which he criticized their operation and also that of the FBI. As previously pointed out, numerous statements of fact were totally erroneous in this report, particularly those in which Klaus states that the FBI prepared a chart.

In view of the total unreliability of Klaus, plus his antagonistic attitude toward the Bureau over a number of years, it is not believed advisable that we should interview him at this time. If you feel however that some action should be taken in this matter, it is believed that it would be more effective, as far as the Bureau is concerned, to prepare a letter to either Under Secretary Webb or Deputy Under Secretary Peurifoy protesting the statements made by Klaus in his report which has resulted in the erroneous newspaper comment.

ATTACHMENT

I suggest
protest
to Webb

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OK

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New Charges By McCarthy Called 'False'

Senator Saye State
Dept. Has 3 Branded
Soviet Agents in '46

By Alfred Friendly
Post Reporter

Joseph R. McCarthy (R., Wis.) told his Senate colleagues yesterday that a minimum of three persons tagged as Soviet "agents" by the FBI four years ago are still in the State Department.

He said he knew their names and that the individuals were still holding high position.

Last night the State Department said McCarthy's statement was "absolutely false."

McCarthy's new information, he indicated, came from a 1946 document prepared by a State Department investigator who made reference to an FBI "chart" of categories of "Communist agents, Communists, Communist sympathizers and suspects" in the State Department as of May 15, 1946.

Photostats Released

McCarthy made public photo-
stats of two pages of the report
which summarized the alleged
FBI tabulation as showing that on
that date the totals were:

Agents	20
Communists	13
Sympathizers	14
Suspects	77

The State Department's comment on McCarthy's newest deluge of numbers of alleged subversives in its ranks read in part:

"The Senator based his charge upon the completely erroneous belief that the FBI prepared a chart referred to in the photostatic document which purportedly evaluated departmental personnel in terms of 'agents,' 'Communists,' 'sympathizers' and 'suspects.'

1. No such chart was ever f-

calved by the State Department
from the FBI

"2. The Department of Justice has informed us that no such chart was ever prepared by the FBI.

"3. The chart in question was merely a preliminary document prepared by one of the State Department's security officers as a basis for further investigation.

"4. No persons, purportedly identified on that chart as Communists or Communists and the like are now employed by the State Department except those whose loyalty has since been thoroughly checked, evaluated and reviewed under the President's Loyalty Review Board."

The department promised it would issue a further statement on the subject. In the meantime, officials indicated that the document was a working paper of an investigator, comprising listings of all people under suspicion, or against whom charges had been leveled.

The photostat that McCarthy circulated, however, included a passage in which the State Department investigator and author of the document said, "FBI has prepared a chart, now in the possession of (name deleted) which purports to show a number of 'agents' . . ."

The investigator, however, apparently seriously questioned the FBI classifications, for he said:

"It turned out that the FBI had produced no convincing proof that any persons were an actual agent in other words. FBI had made no case to show espionage or a violation of the Foreign Agents Registration Act or similar legislation. In any case, the word 'agent' was therefore being used by the FBI to mean simply a suspect in espionage activities."

"No proof of actual Communist Party membership had been produced by the FBI. The word 'Communist' therefore, was used merely to describe cases of such close affiliations as to lend credence to a hypothesis that the person in question was a member—a fact still to be proved."

McCormick added that the word "sympathizer" was also subject to further of such qualifications and the word "suspect" was apparently an all-inclusive one and "it might not include anything significant."

Nevertheless, McCarthy told the Senate, "If the FBI classed [a person] as an agent or Communist, he was willing to accept its judgment. 'That to me is proof,' he said. 'In my book that is proof despite all the screaming and squealing of those who say, 'McCarthy should not excuse them because you are injuring those poor people; you are smearing them.'

Senator Knowland (R., Calif.), commenting on the disclosure, said the material was "by far the most significant direct evidence" so far presented in the controversy over McCarthy's charges of "Communist infestation" of the Government in general and the State Department in particular.

Knowland said the special Senate Foreign Relations Subcommittee investigating McCarthy's accusations would be "derelict" in its duty if it did not at once use its subpoena powers to obtain the original documents, including the FBI chart referred to.

He added that unless the persons named by the FBI were discharged, "it seems to me there may be a case for impeachment somewhere along the line."

— We ought to
mention again
and again who in
State Dept. wrote
this criticism of
Times Herald
FBI & what
based on Wash. Post

Wash. News
121-23 888 Stat 185
JUN 6 1955 N.Y. Mirror
JUN 7 1955
Date: _____

Senator Ives (R., N. Y.) rose to compliment McCarthy for his "effective presentation" and "constructive approach" in connection with his new material. It was much more effective, Ives said, than "coming here and naming names." He chided McCarthy gently for not having enough faith in the desire of the other 85 Senators to root out subversives. Ives insisted they were as eager to do so as was McCarthy.

But he went on to compliment McCarthy highly for his "new approach" and to wish him good luck in it.

Last Thursday Ives joined six other Republican Senators in a vehement blast, clearly directed at McCarthy, against smear tactics and irresponsible accusations which protected by congressional immunity for libel action.

Two days later, however, in Ives' presence, the Young Republicans of his State unanimously endorsed McCarthy's campaign and "the spirit in which it was brought."

Earlier yesterday, even before Ives complimented McCarthy on the Senate floor, he declared that there was "accumulating evidence that the Administration is trying to whitewash the State Department" on the Communist charges.

The White House, meantime, deferred action yesterday on a reported plan to name a non-partisan citizens commission to review the files of some or all of the persons McCarthy has busted.

The plan, anticipated in press reports, came up for debate yesterday in connection with McCarthy's speech. McCarthy himself referred to the idea dismissively, calling it a "trumped up" device, which would simply render "another whitewash."

Senator Mundt (R., S. Dak.) took a more hopeful view, but insisted such a commission could not report a report that would win the confidence of the American people and of Congress unless it was bipartisan in nature and unless the Republicans were elected by the Republicans as members of Congress, and not by the President.

And all Republicans who spoke insisted that the full files on all the cases must be made available to it, and that they should be made available long before the special Senate investigating subcommittee.

JUN 7 1950

STANDARD FORM NO. 10

Office Memorandum

UNITED STATES GOVERNMENT

TO : Mr. Belmont
FROM : V. P. Keay *PKS*
SUBJECT: *Q 116*

DATE: June 20, 1950
4:15 P.M.

About one week ago, a letter was addressed to Undersecretary of State James E. Webb, marked Personal and Confidential, concerning the alleged FBI chart which was mentioned by Senator Joseph R. McCarthy. This chart was mentioned by the Senator as coming from a State Department report.

The Bureau letter to Undersecretary Webb advised him that the alleged "FBI chart" was contained in a report prepared by Mr. Samuel Klaus of the State Department and that the comments made by Mr. Klaus were completely erroneous. Mr. Webb was advised that the Bureau did not send a chart to the State Department.

Special Agent _____ of the Liaison Section telephoned from the State Department at 4:10 p.m., this afternoon, and advised that Assistant Secretary of State Peurifoy has requested the use of this letter at his appearance before the Tydings Committee tomorrow morning, June 21, 1950. Special Agent _____ is awaiting a telephonic answer so that Mr. Peurifoy can be advised concerning this matter. / [Signature] 2021-78

RECORDED : 28

ADDENDUM: A tickler copy of the letter in question is attached. Inasmuch as this represents the position of the FBI, it is recommended that clearance be given for Purifoy.

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Office Memorandum • UNITED STATES GOVERNMENT

TO : The Director

DATE: June 22, 1950

FROM : D. M. Ladd

SUBJECT: 'STATS DEPARTMENT FILES ON INDIVIDUALS NAMED
BY SENATOR MC CARTHY
LOYALTY OF GOVERNMENT EMPLOYEES

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
DECLASSIFY

PURPOSE

To advise you regarding check of Bureau files relative to dissemination of information to State Department on the cases mentioned by McCarthy and to inform you that we have made no examination of the State Department files to ascertain whether they have been tampered with as alleged by Senator McCarthy nor have we advised Senator Tydings that all of the material gathered by the Bureau touching on the loyalty of the 81 individuals in question has been sent to the State Department and is a part of the files which the Tydings Subcommittee examined.

BACKGROUND

The United Press news tickler yesterday carried a statement that Senator Tydings had revealed he had requested the Justice Department and the FBI to investigate Senator McCarthy's allegations of State Department file tampering and that the results of a file-by-file examination were made available to Tydings by the Justice Department and showed that the files were intact, had not been raped and had not been skeletonized or tampered with. The press release reports Senator Tydings as referring to Justice Department letter signed by Peyton Ford, the text of which Senator Tydings declined to make public on grounds that it carried the names of the thus far publicly unidentified individuals covered by Senator McCarthy's 81 cases. Senator Tydings is also quoted as stating, "I have been advised by FBI Agents that all of the material gathered by the FBI touching on the loyalty of the employees in question has been sent to the State Department and are part of the files which our Committee has examined."

With respect to the comment by Tydings concerning a request of the Justice Department and the FBI to investigate Senator McCarthy's allegations of State Department file tampering and Senator Tydings comment that the result of a file-by file examination had been made available to him by the Justice Department, you noted, "Did we make any such check?".

11 You may recall that by memorandum of May 10, 1950, Peyton Ford furnished us with a list of the 81 individuals whose names were included on a "subpoena" list received from the Tydings Subcommittee. In this memorandum Peyton Ford advised us that the Attorney General wished to prepare at the earliest possible moment a letter to Senator Tydings listing, first, those individuals in the group on whom loyalty investigations were conducted and attaching copies of the Bureau's transmittal letters or memoranda to the Civil Service Commission. It was also pointed out in Mr. Ford's memorandum that in the group of 81 cases there undoubtedly would be cases in which a loyalty investigation was never initiated or cases in which investigations were instituted but later discontinued because the individuals

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EX-34

MR. D - 15.11

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had left the Government service; that it was desired the Bureau list these individuals with an indication of what transpired in this respect and that we also make identifying reference to any memoranda forwarded to the State Department prior to, during or following the loyalty investigation in those instances where a loyalty investigation had been conducted and also in those instances where no loyalty investigation had been made.

In accordance with this request of Mr. Peyton Ford, we prepared a brief setting forth the material he had requested and furnished it to him under date of May 15, 1950.

This brief which was furnished to the Department to assist the Attorney General in preparing a letter to Senator Tydings is probably the basis for Senator Tydings' comment since it is noted he alludes to a letter received by him signed by Peyton Ford. However, it is noted that Tydings is reported as stating that the results of a file-by-file examination were made available to him by the Department and that this report showed that the files were intact, had not been raped, had not been skeletonized or tampered with. The only files that we have examined are the Bureau files and we have made no file-by-file examination of the State Department's files in connection with this matter for the purpose of determining whether they contained all the material which has been furnished to the State Department by the Bureau concerning the 81 individuals in question.

With further reference to this particular matter, you may recall that by memorandum of May 9, 1950, I advised you that Mr. Peyton Ford had advised Mr. Nichols and me that he was going to assign [redacted] from his office to review all of the State Department files which the President was making available to the Tydings Subcommittee prior to the time they were made available to the Committee for the purpose of blocking out the names of any confidential informants or sources which should be protected in Bureau reports. Mr. Ford requested the Bureau to make an Agent available to work with [redacted] in this project. Both Mr. Nichols and I advised him that we could not do this; that the FBI should not be a party to reviewing the State Department files prior to the time they were made available to a Senate Committee by the President. Mr. Ford then suggested the Bureau might go through its own files, checking the material which has been sent to the State Department to see if there are any names which the Bureau desired blocked out as undesirable for the Committee to see and we again pointed out that this also would be impractical and unwise. It was suggested that in the event [redacted] was going to make this review that if, during the review of the reports, he had any questions regarding any particular reports, he then contact the Bureau. You noted on my memorandum of May 9, 1950, "Right. I want no part to review of such files or the blocking out of information."

With respect to the comment attributed to Senator Tydings that he had been advised by FBI Agents that all of the material gathered by the FBI touching on the loyalty of the employees in question had been sent to the State Department and was a part of the files which the Tydings Subcommittee examined, you noted, "Is this correct?". We have never made any such comment to Senator Tydings.

ACTION

None. This is for your information.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT AS NOTED
ORIGINATOR: [REDACTED]

Tolson
Ladd
Clegg
Glavin
Nichols
Rosen
Tracy
Harbo
Belmont
Mohr
Tele. Room
Nease

(M)
Did we do
anything
here?

[REDACTED]

ADD 2 AMERASIA (1241P)

3. TYDINGS SOUGHT TO SPEED UP CONCLUSION OF THE COMMUNIST INVESTIGATION BY ORDERING A SUNDAY NIGHT CUT-OFF DATE ON SENATORS' EXAMINATIONS OF THE '61 LOYALTY FILES. THE COMMITTEE HAS HAD ACCESS TO THE FILES, LOCATED IN THE WHITE HOUSE CABINET ROOM, FOR ABOUT TWO MONTHS.

TYDINGS REVEALED THAT HE HAD REQUESTED THE JUSTICE DEPARTMENT AND THE FBI TO INVESTIGATE McCARTHY'S OFT-REPEATED ALLEGATIONS OF FILE TAMPERING. THE WISCONSIN SENATOR HAD TURNED THE RECORDS "DENUDED LOOSE LEAF FILES" FROM WHICH DAMAGING INFORMATION HAD BEEN REMOVED. TYDINGS SAID THAT THE RESULTS OF A FILE-BY-FILE EXAMINATION WERE MADE AVAILABLE TO HIM BY THE DEPARTMENT TODAY AND THAT THE REPORT SHOWED:

- *1. THE FILES ARE INTACT.
- *2. THE FILES HAVE NOT BEEN RAPED.
- *3. THE FILES HAVE NOT BEEN SKELETONIZED OR TAMPERED WITH.

THE JUSTICE DEPARTMENT'S LETTER, TYDINGS SAID, WAS SIGNED BY PEYTON FORD, ASSISTANT TO THE ATTORNEY GENERAL. TYDINGS DECLINED TO MAKE THE TEXT PUBLIC ON GROUNDS THAT IT CARRIED THE NAMES OF THE THUSFAR PUBLICLY UNIDENTIFIED INDIVIDUALS COVERED BY McCARTHY'S '61 CASES," LAID BEFORE THE SENATE IN FEBRUARY.

TYDINGS REPORTED THAT IN MORE THAN ONE-HALF OF THE CASES "FULL FIELD INVESTIGATIONS" HAD BEEN CONDUCTED AT THE STATE DEPARTMENT'S REQUEST BY THE FBI.

"I HAVE BEEN ADVISED BY FBI AGENTS THAT ALL OF THE MATERIAL GATHERED BY THE FBI TOUCHING ON THE LOYALTY OF THE EMPLOYEES IN QUESTION HAS BEEN SENT TO THE STATE DEPARTMENT AND ARE PART OF THE FILES WHICH OUR COMMITTEE HAS EXAMINED," TYDINGS SAID.

6/21--JW1259P

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memo to [REDACTED]
6-22-50
[REDACTED]

Do [REDACTED]
comes [REDACTED]

121-23278-196

WASHINGTON CITY NEWS SERVICE
ENCLOSURE

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI
 FROM : GUY HOTTEL, SAC, WASHINGTON FIELD
 SUBJECT: SUB-COMMITTEE OF SENATE FOREIGN RELATIONS COMMITTEE
 ALLEGATIONS OF SENATOR JOSEPH McCARTHY
 LOYALTY OF GOVERNMENT EMPLOYEES

DATE: April 21, 1950

Mr. Ladd
 Mr. Cleary
 Mr. Nichols
 Mr. Rosen
 Mr. Harbo
 Mr. Belmont
 Mr. Mohr
 Tele. Room
 Mr. Koenig
 Mrs. Gandy
 Mrs. Gandy

Reference is made to my previous letter of this date concerning the captioned matter. 4

At the conclusion of the questioning by Chief Counsel MORGAN, Senator HICKENLOOPER took up the questioning of Mr. BROWDER. He first inquired as to whether BROWDER had ever been a member of the International Workers Order. The witness stated he had not but admitted having attended meetings and to have been very familiar with the organization. Senator HICKENLOOPER then brought up again the matter of Mr. BROWDER's contact with SUMMER WELLES at the time the latter was Undersecretary of State, regarding Chinese foreign policy. He was specifically asked why he had transmitted the information furnished to him by Mr. WELLES to Madame SUM-YAT-SEN. BROWDER stated that the understanding between him and Mr. WELLES was that he was to be permitted to publish the information and that he furnished it to Madame SEN with the hope she would publish it in China. 4

Senator HICKENLOOPER then questioned the witness regarding the change in American foreign policy toward China, asking him if it were not so that the Communist Party had succeeded in having the American foreign policy changed to fit in with their own ideas. Mr. BROWDER stated that this was not so but that the State Department had changed it because of the necessity in the carrying on of the war and that the Communist Party apparently recognized the need for this line of action prior to the State Department. He did admit that the Communist Party policy as advocated was substantially incorporated into the policy of the United States. 4

Senator HICKENLOOPER then questioned the witness as to whether or not he had ever conspired with anyone or attempted to secure the transmittal of confidential information from American Government sources to the Soviet Government or agents of that government. Mr. BROWDER denied that he ever had. He then asked him specifically if he had ever delivered any information or caused to be delivered any information to the Soviet Government or its agents to which question Mr. BROWDER issued a definite denial. 4

Senator HICKENLOOPER then questioned him concerning his visit to Russia in 1946 but no new information regarding his trip was developed. He then questioned him about International World Communism and his views and the views of the Party regarding that situation, but BROWDER evaded the question by stating that the discussion would consume too much time, possibly running into years. 4

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Letter to Director, FBI
ALLEGATIONS OF SENATOR McCARTHY
LGE

- 2 -

April 27, 1950

He was then asked concerning the advocacy of the Communist form of government in this country and was questioned as to whether such a directive had ever been received from the Soviet Government. BROWDER claimed that he did not advocate or believe in the Communist form of government for the United States and that it was contrary to STALIN's policy, stating that STALIN had only contempt for leaders of another country who would take orders directly from Moscow. Senator HICKENLOOPER then asked him how he reconciled that with the MARSHAL TITO situation in Yugoslavia. Mr. BROWDER did not make any observation in regard to this.

Going back to his previous testimony that while in Russia in 1946, BROWDER had made an agreement with Soviet publishers to promote the sale of their books in this country, he stated upon questioning from Senator HICKENLOOPER that he had severed this connection with the Soviet publishers in July, 1949. He also denied upon questioning that he had ever received any instructions from Moscow on how to proceed in accordance with Communist Party doctrine and he denied that he had ever communicated with Russia as to what position Communists in the United States should take on certain issues. He stated he had sought consultation with the Communist Party of Russia relative to problems of the world and of America but that he had had no such contact with the Russian Government. BROWDER also stated these consultations did not amount to a conspiracy but only concerned political views and the furtherance of a program for progress. At this point BROWDER pointed out to the committee at the present time he is not a spokesman for any organization and therefore, did not feel he was in a position to speak concerning the official policies of the Communist Party.

He was then asked if during his tenure of office in the Communist Party, they had conspired to overthrow the Government of the United States and he denied that such was the case while he was a member or office holder in the Communist Party.

He was then questioned concerning his acquaintance with ALGER HISS and he claimed he had never heard of HISS until FBI Agents contacted him and requested him to identify a photograph which he later learned was that of ALGER HISS. He claimed prior to this contact, he never saw nor heard of ALGER HISS before. He, upon questioning, also denied that he knew WHITTAKER CHAMBERS but admitted that he did know CHAMBERS was a Communist Party member in the early 1920s. He stated that CHAMBERS had disappeared

Letter to Director, FBI
ALLEGATIONS OF SENATOR McCARTHY
LGE

- 3 -

April 27, 1950

as far as he knew and he, therefore, surmised he was out of the Party. BROWDER then was questioned concerning the receipt of funds, or equivalent thereof, from the Communist Party of Russia, Russian Government or agents of either of these two groups. BROWDER stated that in connection with the Spanish Civil War, he received funds from sources abroad to help in the organization of the International Brigade; however, he refused to divulge the identity of the sources of these funds since he felt it would possibly involve someone in trouble in the year 1940 over something that had happened in 1937. He categorically denied he had ever received any funds from sources abroad for promoting the Communist Party program in the United States. When asked specifically if he had ever attended any conferences in the Russian Embassy in Washington, D. C., or in any of the Russian Consulates, with regard to Communist Party activities in this country, he claimed that he never had. He admitted upon questioning that he was acquainted with FREDERICK VANDERBILT FIELD and stated that he first met him in 1941. He denied that he had ever seen him in the Communist Party Headquarters in New York City and denied that he ever assigned him to any mission for the Communist Party or for the purpose of engaging in espionage activities. In this connection he also stated he had never requested any one to perform espionage activities on behalf of the Communist Party or the Russian Government.

He was then asked if he had ever been in contact with one CHUNG P. WOO-(ph). BROWDER admitted that he had been in contact with this individual, the last time being when the Chinese Delegation was en route to the United Nations Conferences in San Francisco, California. He refused to state what had been discussed at this meeting, stating the nature of the discussion was highly confidential. He refused to state whether JOHN SERVICE and JOHN CARTER VINCENT were present at this meeting. He also refused to admit knowing PHILIP JAFFE and would not state whether or not he was at the meeting above referred to. BROWDER claimed he felt he should have the permission of the man involved since the discussion concerned problems of a confidential nature dealing with the United States and that it was impossible to obtain the permission of the person involved, namely Mr. WOO. *W.W.*

At this point BROWDER engaged in a tirade against "fishing expeditions" and "smear campaigns" and stated he would refuse to answer as to whether or not he knew individuals because if he admitted being acquainted, it would jeopardize their careers in public life.

Letter to Director, FBI
ALLEGATIONS OF SENATOR McCARTHY
LGE

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April 27, 1950

In furtherance of this line of questioning, BROWDER also refused to state whether or not OWEN LATTIMORE was in attendance at the meeting previously referred to. With regard to JAFFE, however, he finally did admit under questioning that he had met JAFFE at a Communist Party meeting in New York City.

With regard to J. PETERS, BROWDER characterized him as a minor functionary in the Party and stated he had not seen him in the Party circles for the past few years. He denied that he had ever requested PETERS to obtain espionage information for him and also denied he had received information from PETERS to engage in espionage activities. He denied he had ever received instructions from anyone to engage in the gathering of confidential information contrary to the best interests of the United States.

Senator HICKENLOOPER then referred to the previous testimony of BROWDER concerning his visit to China in 1927 and 1928. In answer to questioning, BROWDER stated that at the time he was Secretary of the Kansas City Trade Union and that while in China during that period he worked very closely with the Chinese Communists. He also stated in response to questioning that during the period from 1921 to present, he had made about eighteen or twenty trips out of the United States. When asked if he had ever declared his official connection with the Communist Party when re-entering this country from these various trips abroad, BROWDER stated he had not and he was not aware of any such requirement.

When questioned concerning ELIZABETH TERRILL BENTLEY, BROWDER stated that he knew her but did not know her as a Communist, only as a secretary and employee. He claimed not to have any knowledge that she attended any policy meetings of the Communist Party and that to the best of his knowledge, she had never received any espionage assignments or furnished to him any information of a security nature. He further admitted that he knew JACOB GOLOS, now deceased, and denied that he had been present at any meeting where Soviet representatives conferred with GOLOS or Miss BENTLEY.

Regarding his trip to Russia in 1946 after his expulsion from the Communist Party, USA, BROWDER stated in answer to a question by Senator HICKENLOOPER that he had had a conference with MOLOTOV during his stay in Moscow. He denied that he had been in contact, however, with any leaders of the Communist Party in Moscow as such, claiming that he had only seen MOLOTOV and another individual whose name sounded like LESOWSKI. He claimed

Letter to Director, FBI
ALLEGATIONS OF SENATOR McCARTHY
IGE

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April 27, 1950

he did not wish to name any of the other individuals with whom he had been in contact during his visit to Moscow at that time.

When asked if he were acquainted with ABS FLAXER, he stated he recognized the name as being that of a union leader but would not elaborate further. He refused to state whether or not he knew FLAXER as a Communist. When asked if he knew DOROTHY KENYON and a Mr. HANSEN, he refused to answer, again lashing out at the Committee, labeling their inquiry a "smear". He also would not answer the question as to whether he knew these individuals to be Communists. He was then asked if he knew the following individuals:

NATHAN GREGORY, SOLVEMASTER
LUDWIG BILMAN
JOHN ABT
NATHAN WITT
ALBERT KYLE, WILLIAMS

BROWDER refused to answer. He was then asked if he had attended any meetings at the "Daily Worker" or any other place where BUDENZ was present. He claimed that he could recall two or three meetings which were held at BROWDER's office where BUDENZ was in attendance. He claimed that staff members of the Communist Party were also present at these meetings and that the discussion concerned the work of Communists among members of the Catholic faith, which was a project that BUDENZ felt he could engage in with profit. BROWDER claimed he could not recall whether WILLIAM FOSTER or JACK STACHEL were present at these meetings. He was then asked if STACHEL had ever directed him to obtain secret information to which he replied in the negative. He also denied he had ever received any directive from Moscow instructing him to engage in the obtaining of secret information. With regard to BUDENZ's position as Managing Editor of the "Daily Worker", BROWDER claimed that in this position BUDENZ had nothing to do with policy but that his sole function was to act as a technical man.

Senator TYDINGS then began questioning the witness regarding his refusal to answer as to whether he had knowledge that HANSEN or KENYON were members of the Communist Party and he reluctantly stated as far as he knew, neither individual had any organizational connections as members or friends of the Communist Party.

Letter to Director, FBI
ALLEGATIONS OF SENATOR McCARTHY
LGE

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April 27, 1950

He was then further questioned about his meetings with individuals in the State Department and he stated that he had met with SUMNER WELLES who was then Undersecretary of State, once in 1942 and again in 1943. He stated the meeting in 1942 was in connection with a speech he, BROWDER, had made concerning the U. S. Foreign Policy in China and that it was at the request of Mr. WELLES that he contacted him, at which time, according to his story, Mr. WELLES had pointed out that he was in error in his complaints about personnel in the State Department and that he was not aware of the true situation. He further claimed that in 1943 he had contacted Mr. WELLES concerning a proposed trip to Mexico since he felt that in fairness to the State Department he should give them notice in advance. He further said at this time Mr. WELLES requested him not to make the trip to Mexico and that he did not go. He subsequently determined that the reason for the request was the fact that President ROOSEVELT was meeting with the President of Mexico in Monterrey at that time and had BROWDER pursued his planned itinerary, he would have passed through Monterrey at the time of the meeting. He further stated ROBERT MINOR, an official of the Communist Party was with him at the meetings with WELLES. When asked if he had ever cooperated with the Office of Strategic Services, he stated he did not cooperate personally but that he knew there were members of the Communist Party in this organization. BROWDER stated LAUCHLIN CURRIL was with SUMNER WELLES at the meetings. *first meeting*.

He was then questioned by Senator TIDINGS regarding membership on the part of CARTER or SERVICE in the Communist Party and BROWDER, after much persuasion said that they, to his knowledge, never had any direct or indirect connection with the Communist Party.

The hearing was adjourned at 1:05 P. M. until further notice.

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1950

TO: Director

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Harbo
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Q. Tamm
Mr. Mohr
Miss Gandy
Mr. Nease
Mr. Pennington
Mr. Winterrowd
Mr. J. A. Carlson
Mr. Hargett
Mrs. Henley
Miss Joss
Mrs. Davidson
Chief Clerk's Off.
Records Section
Personnel Files
Mechanical Sec.
Ident. Division
Technical Lab.
Reading Room

Mr. Belmont
Mr. Laughlin
Mr. Hennrich
M
M
Mr. Baumgardner
Mr. Keay
Mr. Stanley
M
M
Mr. Ferris
Foreign Service Desk
Mr. Callahan
See Me
Call Me
Appropriate action
Note & return
Send file
Bring up-to-date
Correct
Re-date
Please initial & return
Place on record & return
Place on record
Per conversation
Advise status

D. M. Ladd - Rm. 5736
Telephone Ext. 555

Memorandum • UNITED STATES GOVERNMENT

TO : MR. D. M. LADD

FROM : A. H. BELMONT

SUBJECT: SENATOR MC CARTHY'S CHARGES
AGAINST THE STATE DEPARTMENT

DATE: June 29, 1950

[REDACTED] has been informed in confidence by various officials of the State Department that the hearing of Senator McCarthy's charges against the State Department will be brought to a conclusion by Senator Tydings on or about July 15. The present plan is that Senator Tydings will take the floor of the Senate in a four-hour speech outlining the charges of McCarthy, giving a summary of the results of the hearing, followed by recommendations. The recommendations, which Senator Tydings will allegedly make, will be in the form of a "whitewash" of the State Department and the charges placed against it by Senator McCarthy.

ACTION

None. This memorandum is prepared for your information.

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